

ND RISK MANAGEMENT WORKERS COMPENSATION FUND

State Investment Board Balance Sheet As of 9/30/2008

	As of <u>9-30-08</u>	As of <u>6-30-08</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 840,787	\$ 1,054,641
DOMESTIC FIXED INCOME	1,463,805	1,907,002
INVESTED CASH (NOTE 1)	<u>76,180</u>	<u>94,366</u>
TOTAL INVESTMENTS	2,380,772	3,056,009
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	6,885	5,654
MISCELLANEOUS RECEIVABLE	<u>4</u>	<u>6</u>
TOTAL RECEIVABLES	6,889	5,660
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	72,721	105,814
OPERATING CASH	<u>125</u>	<u>389</u>
TOTAL ASSETS	<u>\$ 2,460,507</u>	<u>\$ 3,167,872</u>
LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	72,721	105,814
ACCOUNTS PAYABLE	10	27
ACCRUED EXPENSES	42	45
INVESTMENT EXPENSE PAYABLE	<u>4,648</u>	<u>4,648</u>
TOTAL LIABILITIES	77,421	110,534
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	3,057,338	4,221,728
CASH IN DURING YEAR (NOTE 3)	0	0
CASH OUT DURING YEAR (NOTE 4)	500,000	1,000,000
NET INCREASE (DECREASE)	<u>(174,252)</u>	<u>(164,390)</u>
NET ASSETS AVAILABLE END OF PERIOD	<u>2,383,086</u>	<u>3,057,338</u>
TOTAL LIABILITIES & NET ASSETS AVAILABLE	<u>\$ 2,460,507</u>	<u>\$ 3,167,872</u>

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State Investment Board Profit and Loss Statement For the Month Ended 9/30/2008

	Month Ended <u>9-30-08</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 9,508	\$ 30,268
SECURITIES LENDING INCOME	239	767
	<u>9,747</u>	<u>31,035</u>
 GAIN ON SALE OF INVESTMENTS	 84,262	 190,616
LOSS ON SALE OF INVESTMENTS	<u>103,562</u>	<u>217,126</u>
 NET GAINS (LOSSES) INVESTMENTS	 (19,300)	 (26,510)
 INVESTMENT EXPENSES	 33	 4,657
SECURITIES LENDING EXPENSES	170	560
 NET INVESTMENT INCOME	 (9,756)	 (692)
 NET APPREC (DEPREC) MARKET VALUE	 (153,534)	 (174,412)
MISCELLANEOUS INCOME/(EXPENSE)	<u>6</u>	<u>1,102</u>
 TOTAL INVESTMENT INCOME	 <u>(163,284)</u>	 <u>(174,002)</u>
 DEDUCTIONS:		
ADMINISTRATIVE EXPENSES	201	250
 NET INCREASE (DECREASE)	 <u>\$ (163,485)</u>	 <u>\$ (174,252)</u>

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Notes To Financial Statements
September 30, 2008

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.